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MARIE HIRST COURT CLERK
CANADIAN COUNTY, OKLAHOMA

IN THE DISTRICT COURT FOR CANADIAN COUNTY
STATE OF OKLAHOMA

OCT 13 2020

HERITAGE RESOURCES - NONOP,)
LLC,)
vs.)
Plaintiff,)
vs.)
MARATHON OIL COMPANY,)
Defendant.)

BY _____ DEPUTY

Case No. CJ 2020 - 501

CASE ASSIGNED TO:

PETITION

JUDGE:

PAUL HESSE

Plaintiff, Heritage Resources – NonOp. LLC (“Heritage”), for its claims for relief against Defendant, Marathon Oil Company. (“Marathon”), alleges and states as follows:

THE PARTIES, JURISDICTION & VENUE

1. Heritage is an Oklahoma limited liability company with its principal place of business in Oklahoma County, Oklahoma.
2. Defendant Marathon Oil Company (“Marathon”) is a foreign corporation that conducts significant business in the State of Oklahoma, and owns property and does business specifically in Canadian County, Oklahoma.
3. The property, which is the subject of this action, is located in several counties within the State of Oklahoma, including Canadian County.
4. This Court has jurisdiction over this matter because property at issue is located within Canadian County, Oklahoma.
5. Venue is proper in this Court pursuant to 12 O.S. § 131.
6. The amount in controversy exceeds the sum of \$75,000.00, exclusive of costs and interest.



FACTUAL BACKGROUND

7. Plaintiff adopts and incorporates the preceding paragraphs as if fully restated herein.
8. Marathon is the operator of the oil and gas wells set forth on Exhibit A, attached to this Petition (collectively, the "Subject Wells").
9. Heritage owns an interest in Subject Wells.
10. Heritage has made payments to Marathon for its proportionate share of well costs in the Subject Wells.
11. Marathon has failed and refused to make proper payments to Heritage for its proportionate share of production of oil and/or gas from the Subject Wells, despite Heritage's demand.
12. Marathon has failed and refused to properly credit to Heritage's account the payments made by Heritage to Marathon for its proportionate share of well costs in the Subject Wells, resulting in Marathon withholding revenue otherwise due and owing to Heritage, despite Heritage's demand.
13. Marathon has failed and refused to properly account to Heritage for all revenue attributable to Heritage's interest in the Subject Wells that it has improperly withheld, resulting in underpayment of revenue to Heritage.
14. Despite Marathon's withholding of revenue due and owing to Heritage, Marathon continues to demand further payment from Heritage, without support.
15. Heritage has made numerous attempts to cooperate with Marathon in order to reconcile the accounting differences. However, Marathon has refused and continues to refuse to provide Heritage with standard accounting detail and documentation necessary for Heritage to evaluate the accounting differences.

COUNT I – BREACH OF CONTRACT

16. Plaintiff adopts and incorporates the preceding paragraphs as if fully restated herein.

17. Pursuant to an open account or existing agreements, express or implied (collectively, the “Agreements”), Heritage is an interest owner in each of the Subject Wells.

18. All of the Subject Wells are operated by Marathon.

19. As an interest owner, Heritage is entitled to its proportionate share of hydrocarbon production from the Subject Wells.

20. Heritage has demanded payment under the Agreements, but Marathon has not paid the amounts due and owing.

21. As a direct, proximate, and foreseeable result of Marathon’s material breach of the Agreements, Heritage has suffered damages in excess of \$75,000.00.

COUNT II – UNJUST ENRICHMENT

22. Plaintiff adopts and incorporates the preceding paragraphs as if fully restated herein.

23. Marathon wrongfully and inequitably derived financial benefits from Heritage, via the payments made by Heritage for proportionate shares of well costs and the subsequent withholding of production revenue related to the Subject Wells.

24. Marathon knowingly accepted those financial benefits from Heritage.

25. Marathon’s retention of those financial benefits, at Heritage’s expense, is unjust, unfair, inequitable, and not in good conscience, and Marathon has been unjustly enriched to the detriment of Heritage.

26. Heritage has suffered damages in the amount equal to the benefits conferred, and Marathon should be disgorged of its inequitable financial benefits.

27. This Court should impose a constructive trust under the doctrine of unjust enrichment.

COUNT III – ACCOUNTING

28. Plaintiff adopts and incorporates the preceding paragraphs as if fully restated herein.

29. As operator of the Subject Wells, Marathon has possession of financial records relating to financial benefits it received and retained at Heritage's expense.

30. Marathon has failed and/or refused to properly account to Heritage despite Heritage's multiple written demands.

31. The District Court has authority to require an accounting by Marathon, and to compel them to appear and render such an accounting. The request for accounting may be brought by Heritage and the District Court has authority to require an accounting by said Defendant.

32. Heritage hereby demands a full, detailed and immediate accounting from Marathon of: (i) all production from each of the Subject Wells, (ii) all revenue that has been paid to Heritage; (iii) all revenue attributable to Heritage's interest in the Subject Wells that has been withheld by Marathon; (iv) all costs attributable to each of the Subject Wells; and (v) all payments received from Heritage attributable to each of the Subject Wells.

33. Plaintiff hereby further demands the full, detailed, and immediate disclosure from Defendant of all information, contracts, invoices, and other data justifying: (i) the production Marathon attributes to each of the Subject Wells. (ii) the revenue that has been paid to Heritage; (iii) the withholding of revenue attributable to Heritage's interest in the Subject Wells; (iv) the costs attributable to each of the Subject Wells; and (v) the payments Marathon claims to have received from Heritage attributable to each of the Subject Wells.

PRAYER FOR RELIEF

WHEREFORE. Plaintiff Heritage prays for judgment as follows:

- i. For an award of damages in an amount to be proven at trial, in excess of \$75,000.00, as a result of Marathon's breach of the Agreements.
- ii. For disgorgement and/or a constructive trust of Marathon's ill-gotten gains.
- iii. For an accounting by Marathon for all hydrocarbon production from the Subject Wells, all revenue that has been paid to Heritage, all revenue attributable to Heritage's interest in the Subject Wells that has been withheld by Marathon, all costs attributable to each of the Subject Wells, and all payments received from Heritage attributable to each of the Subject Wells.
- iv. For the Court to impress a constructive trust upon revenue earned by Marathon from the Subject Wells from and after October 1, 2020, in order to prevent Marathon from being unjustly enriched.
- v. For an award of attorneys' fees and costs that Heritage has incurred as a result of Marathon's breach of the Agreements.
- vi. For an award of interest pursuant to Okla. Stat. tit 52 § 570.10.
- vii. Punitive damages to deter such future conduct, and
- viii. All such other relief as the Court deems proper, just, and equitable.

JURY TRIAL DEMANDED.

Respectfully submitted,

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ATTORNEYS FOR PLAINTIFF

Exhibit 1

Well Name	API
WINTER CREEK 0606 1-25-24MXH	35051241820000
MCCABE BR 1409 1-3-34MXH	35017250510000
IVA O MCCABE 1409 1-3-34WXH	35017250550000
MEYER 1406 2-4MH	35017248340000
HRDY 1-11MH	35017249210000
BLACKJACK 1607 1-23MH	35073252460000
EDEN 1308 1-4MH	35017249890000
FUNK 1307 1-36MH	35017248860000
SIEGRIST 1307 1-9WH	35017248320000
PEGGY 1-33H	35137271750000
MEYER 1406 1-4WH	35017247600000
STRACK 1-2-11XH	35011236340000
TAN 1509 9-4MH	35073255480000
WILLIAMS 1607 1-24MH	35073251090000
SIEGRIST 1307 2-9MH	35017251050000
TAN 1509 1-4-33MXH	35073253090000
ZUM MALLEN 1307 1-21WH	35017248770000
ZUM MALLEN 1307 2-21MHA	35017250160000
TAN 1509 3-4-33MXH	35073255450000
WILE E COYOTE 1607 1-2MH	35073252370000
TAN 1509 2-4-33MXH	35073255440000
SIEGRIST 1307 4-9MH	35017251280000
TAN 1509 7-4-33MXHA	35073256650000
TAN 1509 4-4-33MXH	35073255460000
OYLER 1307 2-24MH	35017248620000
SIEGRIST 1307 1-9MH	35017251240000
HUNT 1307 1-29-20WH	35017248800000
TAN 1509 5-4-33MXH	35073255470000
MOELLER 1408 1-16MH	35017248920000
PORTER 1307 2-22MH	35017248740000
KARSON KONNER 1609 1-21-28MXH	35073254700200
TAN 1509 6-4-33MXH	35073255500000
SIEGRIST 1307 3-9WH	35017251270100
BARBARA BRAND 1-6H	35051238900000

TAN 1509 8-4-33MXH	35073255510000
SIEGRIST 1307 3-9MH	35017251250100
ISAAC TAYLOR 0606 2-15-10WXH	35051240720100
PORTER 1307 1-22WH	35017248510000
KEM RANCH 1-24-25XH	35051240480000
LOREN BROWN 1-26XH	35051237600000
BRAND 1-30XH	35051237530000
EVE 1506 4-17MHA	35073256440001
LANCE 1-36H	35137272490000
SIEGRIST 1307 2-9WH	35017251260000
REEVES 1-9XH	35051238290000
WINTER CREEK 1-25XH	35051237270000
EVE 1506 6-17MH	35073256160000
MOFFAT 1406 1-2MH	35073250950000
EVE 1506 1-17MH	35073250000000
EVE 1506 5-17MH	35073256150000
RUTHIE 1609 1-15-22MXH	35073254560000
KNAPP FAMILY 1-2H	35011235710000
ISAAC TAYLOR 1-15H	35051237160000
EVE 1506 2-17MH	35073256120001
BARLOW 1305 1-18MH	35017249630000
BEECHER 1607 1-11MH	35073251160000
HATFIELD RANCH 1-1H	35051238540000
HAYS 1-1H	35137271670000
J&M BIA 1510 1-30MH	35011238520000
DAVENPORT RANCH 1-28H	35137270140000
DAVENPORT RANCH 1-31H	35137273020000
ELY 1-12H	35137271290000
MCCLOUD 0304 1-6SH	35049252920000
LESLIE 1-7H	35137271700000
MACH 1206 1-3MH	35017249950000
REDMAN BIA 1-28H	35011237960100
MARJORIE 1-25XH	35011235690000
STRAIN 1-24H	35137272450000
STARFOX 0304 1-7-6SXH	35049252980000
SAVAGE 1306 1-1MH	35017248490000
CAMPBELL 0304 1-6WH	35049252950000
RUTHIE 1609 5-15-22MXH	35073261330000
RUTHIE 1609 6-15-22MXH	35073261340000
POST 1706 1-30MH	35073252430000
RUTHIE 1609 4-15-22MXH	35073261260000
COLLINS 0404 1-31-30WXH	35049252910000
MIKE STROUD BIA 1509 5-28-33MXH	35073261930000

RUTHIE 1609 3-15-22MXH	35073261240000
MIKE STROUD BIA 1509 7-28-33MXH	35073261900000
MIKE STROUD BIA 1509 6-28-33MXH	35073261910000
MIKE STROUD BIA 1509 3-28-33MXH	35073261720000
MIKE STROUD BIA 1509 2-28-33MXH	35073261710000
MIKE STROUD BIA 1509 4-28-33MXH	35073261920000
MIKE STROUD BIA 1509 1-33MH	35073261940000
RUTHIE 1609 7-15-22MXH	35073261350000
MIKE STROUD BIA 1509 1-28-33MXH	35073261700000
IRVEN JOHN 1710 3-34-27MXH	35011239270000
IRVEN JOHN 1-27XH	35011235630000
MARJORIE 1710 3-25-36MXH	35011241710000
ELY TRUST 1-2H	35137272500000
MOELLER 1408 1-21MH	35017248930000
IRVEN JOHN 1710 4-34-27MXH	35011239280000
MARJORIE 1710 2-25-36MXH	35011241700000
HARRISON 1-31H	35051236610000
MARJORIE 1710 4-25-36MXH	35011241720000
IRVEN JOHN 1710 2-34-27MXH	35011239760000
DUNN 1-14XH	35051237300000
WHITE 1607 1-130H	35073256690000
MICHELLE ABEL 1-11-2XH	35051240370000
SCOUT 1-20H	35051238590000
STARFOX 0304 2-7-6SXH	35049252930000